

PROGRESS REPORT ON A WAIVER TO IMPLEMENT MANAGED CARE FOR DUAL MEDICARE/MEDICAID ELIGIBLES

(FY2014 Appropriation Bill - Public Act 59 of 2013)

May 31, 2014

Section 1775: If the state's application for a waiver to implement managed care for dual Medicare/Medicaid eligibles is approved by the federal government, the department shall provide quarterly reports to the senate and house appropriations subcommittees on community health and the senate and house fiscal agencies on progress in implementing the waiver.

*Michigan Department
of Community Health*



**Rick Snyder, Governor
James K. Haveman, Director**

Michigan Department of Community Health
Progress report on a waiver to implement managed care for dual
Medicare/Medicaid eligibles
Section 1775

On April 3, 2014, the Michigan Department of Community Health (MDCH) received approval by the Centers for Medicare and Medicaid Services (CMS) of its Memorandum of Understanding (MOU), providing authority for the Department to continue its demonstration program to integrate care for people who are eligible for both Medicare and Medicaid (dual eligibles). Consistent with the approved MOU (there is no Medicaid waiver authority required to implement the demonstration), the program now known as MI Health Link is scheduled to begin providing services in the Upper Peninsula and eight counties in southwest Michigan (Barry, Berrien, Branch, Calhoun, Cass, Kalamazoo, St Joseph and Van Buren) to eligible people who elect to enroll no sooner than January 1, 2015. Passive enrollment in these regions will begin on April 1, 2015. Opt-in enrollment for Macomb and Wayne counties will begin no sooner than March 2015 and passive enrollment will follow in these regions on July 1, 2015. Enrollment activities will begin in late 2014.

MDCH is currently engaged with CMS in completing the required three-way contract that will serve as the final point of authority between CMS, MDCH, and the procured Integrated Care Organizations (ICOs) in governing the demonstration program. In addition to contract development, MDCH is engaged in many activities with CMS to implement this complex program. Among the myriad of tasks necessary for implementation, MDCH is developing rates with the CMS and state actuaries, developing 1915 b and c waivers for managed care and home and community based services, working with the CMS contractor for Readiness Reviews of ICO preparedness, developing with CMS the required member materials, conducting required stakeholder meetings, and developing necessary systems changes. Finally, MDCH is working with the procured ICOs and the Prepaid Inpatient Health Plans (PIHPs) in the demonstration regions to address implementation and operations issues.